

## Stark Letter On Low-Income Subsidy Beneficiaries In The Medicare Part D Prescription Drug Program

Thursday, 15 November 2007

Open enrollment for the Medicare Part D prescription drug benefit begins today. I am concerned about potential complications for low-income subsidy beneficiaries transitioning between plans.

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### STARK LETTER ON LOW-INCOME SUBSIDY BENEFICIARIES IN THE MEDICARE PART D PRESCRIPTION DRUG PROGRAM

WASHINGTON, D.C. -- Representative Pete Stark (D-CA), Chairman of the Ways and Means Health Subcommittee, yesterday sent the following letter to Centers for Medicare and Medicaid Services Acting (CMS) Administrator Kerry Weems. The letter seeks to ensure that CMS acts in the best interests of low-income beneficiaries to minimize churning and maximize enrollment.

The text of the letter follows. The letter is also available as a PDF.

November 15, 2007

Kerry Weems

Acting Administrator

Centers for Medicare and Medicaid Services

200 Independence Ave, SW

Washington, DC 20201

Dear Acting Administrator Weems:

Open enrollment for the Medicare Part D prescription drug benefit begins today. I am concerned about potential complications for low-income subsidy beneficiaries transitioning between plans. Please respond to the following questions regarding the transition of low-income subsidy beneficiaries.

- 1) How many of the dual eligibles that must switch to plans in different organizations this year had to switch organizations last year? Is CMS considering ways to minimize the need for the same dual eligibles to transition each year? Does the agency have authority to minimize churning for this group?
  
- 2) Were there any dual eligible or other low-income subsidy (LIS) beneficiaries that were "lost" during the December 2006 transition? Are they now reenrolled? How quickly were they reenrolled and did they experience a disruption in coverage? How did CMS address this issue (e.g., were they auto-enrolled in plans or voluntarily chose plans)?
  
- 3) Have you made any estimates regarding the number of people who might be lost this year? If so, please provide them to the Committee, and confirm whether the estimates are built into your baseline or budget projections for next year and in the future.
  
- 4) What is the percentage of dual eligibles and LIS beneficiaries whose plans did not meet the 2007 benchmarks that chose plans versus the percentage that CMS reassigned automatically at the beginning of the year? How have you changed informational materials for this year to ensure that more people choose plans themselves?
  
- 5) For dual eligibles that are switching plans, is CMS auto-assigning them to new plans completely at random or does CMS make any attempt to "intelligently" auto-enroll beneficiaries in plans either based on (1) those with similar benefits, (2) those that cover the actual drugs used by the beneficiary in question and (3) those that would result in the lowest cost to the government?
  
- 6) What is the CMS's plan to provide emergency prescriptions if dual eligible or LIS beneficiaries experience a break in coverage or otherwise experience delay in transitions? Is CMS still employing one plan company to fill prescriptions or are plans obligated to continue to cover medications during this period?

If you have any questions, please contact Chiquita Brooks-LaSure on my staff at [Chiquita.Brooks-LaSure@mail.house.gov](mailto:Chiquita.Brooks-LaSure@mail.house.gov) or 202-225-3943.

Sincerely,

Pete Stark

Chairman